

**Montana Board of Oil and Gas Conservation
Environmental Assessment**

Operator: Williston Basin Interstate Pipeline Company
Well Name/Number: Fee 3014
Location: NE NW Section 11T9N R58E
County: Fallon, **MT;** **Field (or Wildcat)** Cedar Creek

Air Quality

(possible concerns)

Long drilling time: No, 2 to 3 days drilling time.

Unusually deep drilling (high horsepower rig): No, a small single derrick drilling rig to drill to 1200' TD.

Possible H2S gas production: No, none anticipated.

In/near Class I air quality area: No class I air quality area.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211.

Mitigation:

☒ Air quality permit (AQB review)

☐ Gas plants/pipelines available for sour gas

☐ Special equipment/procedures requirements

☐ Other: _____

Comments: No special concerns – using small rig to drill to 1200' TD.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater and freshwater mud system.

High water table: No high water table anticipated.

Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral tributary drainage which drains into Cabin Creek, about 1/8 of a mile to the west from this location.

Water well contamination: No, no water wells within 1 mile of this location. Surface hole and main hole will be drilled with freshwater and freshwater mud system. Surface casing will be set to 150' and cemented to surface. Production casing if run will be cemented to surface.

Porous/permeable soils: No, sandy clay soils.

Class I stream drainage: No class I stream drainages in the area.

Mitigation:

☐ Lined reserve pit

☒ Adequate surface casing

☐ Berms/dykes, re-routed drainage

☐ Closed mud system

☐ Off-site disposal of solids/liquids (in approved facility)

☐ Other: _____

Comments: 150' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: None anticipated.

High erosion potential: No, small cut, up to 7.6' and small fill, up to 8.0', required.

Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, 240'X200' location size required.

Damage to improvements: Slight, surface use appears to be grasslands.

Conflict with existing land use/values: Slight

Mitigation

☐ Avoid improvements (topographic tolerance)

☐ Exception location requested

☒ Stockpile topsoil

☐ Stream Crossing Permit (other agency review)

☒ Reclaim unused part of wellsite if productive

☐ Special construction methods to enhance reclamation

☒ Other Requires DEQ General Permit for Storm Water Discharge Associated with Construction Activity, under ARM 17.30.1102(28).

Comments: Access will be along existing county roads and existing oilfield access roads.. A short access into location off existing oilfield access road will be built. Drilling fluids will be hauled to a private stock reservoir with surface owner approval or allowed to dry in the earthen pits. Cuttings will be buried in the unlined earthen pits. Pits will be restored after they have dried. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: No residences within 1 mile from this location.

Possibility of H2S: None anticipated.

Size of rig/length of drilling time: Small drilling rig/short 2 to 3 days drilling time.

Mitigation:

☒ Proper BOP equipment

☐ Topographic sound barriers

☐ H2S contingency and/or evacuation plan

☐ Special equipment/procedures requirements

☐ Other: _____

Comments: Adequate surface casing and operational BOP should mitigate any problems. No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None identified.

Creation of new access to wildlife habitat: None

Conflict with game range/refuge management: None

Threatened or endangered Species: The only threatened or endangered species listed on the USFW Service website for Fallon County, Montana is the Whooping Crane.

Candidate species is the Greater Sage Grouse.

Mitigation:

☐ Avoidance (topographic tolerance/exception)

☐ Other agency review (DFWP, federal agencies, DSL)

☐ Screening/fencing of pits, drillsite

___ Other: _____

Comments: Private surface lands. Concerns expressed by Montana Fish Wildlife and Parks are location is within 1 mile of an active Lek in Section 10 T9N R58E and FWP recommendation is against further development in this area. Sage Grouse Mitigation for Oil & Gas Operations on School Trust Lands (November 2007) requires a ¼ mile buffer around active Leks and time restrictions apply. This well is more than ¼ mile from the nearest Lek and will be drilled after June 15, 2010 and before March 1, 2011.

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites: None identified. _____

Mitigation

___ avoidance (topographic tolerance, location exception)

___ other agency review (SHPO, DSL, federal agencies)

___ Other: _____

Comments: On private surface lands. No concerns.

Social/Economic

(possible concerns)

___ Substantial effect on tax base

___ Create demand for new governmental services

___ Population increase or relocation

Comments: Gas storage well within the Cedar Creek Gas Field. No concerns

Remarks or Special Concerns for this site

Well is a 1200' Judith River Formation gas storage well. This well is within an existing oil and gas field, Cedar Creek Gas Field.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected. Some short term impacts will occur.

I conclude that the approval of the subject Notice of Intent to Drill (does/**does not**) constitute a major action of state government significantly affecting the quality of the human environment, and (does/**does not**) require the preparation of an environmental impact statement.

Prepared by (BOGC): /s/Steven Sasaki _____

(title:) Chief Field Inspector

Date: September 2, 2010 _____

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center

(Name and Agency)

Water wells in Fallon County

(subject discussed)

September 2, 2010

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES

MONTANA COUNTIES, Fallon County

(subject discussed)

September 2, 2010

(date)

Ms. Windy Davis, Montana FWP

(Name and Agency)

Greater Sage Grouse Leks in Fallon County, Montana

(subject discussed)

August 30, 2010

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____